

APPROVED
MISTY STAGG
Misty Stagg, Director
2/24/20
Date

Prison Enterprises Board Meeting

February 18, 2020

1. Chairman Joseph Ardoin called the meeting to order at 10:06 AM at Prison Enterprises (PE) Headquarters, Baton Rouge, Louisiana (LA).
2. Mr. Richard Oliveaux led the opening prayer. Following the prayer, the Pledge of Allegiance was recited.
3. Attendance:
 - 3.1 Members Present:
 - Joseph Ardoin, Chairman
 - Eric Lane
 - Richard Oliveaux
 - Tim Travis
 - 3.2 Prison Enterprises Staff Present:
 - Michael Moore, Director
 - Brooke Farrar
 - Scot Floyd
 - Kacie Henderson
 - Daniel Hoover
 - Vickii Melius
 - Michelle Montalbano
 - Kristie Sigrest
 - Misty Stagg
4. Mr. Ardoin acknowledged that a quorum was present and asked for a motion to approve the board meeting minutes for December 17, 2019.
5. Mr. Oliveaux made a motion that the minutes be approved as written. Mr. Lane seconded the motion and it passed unanimously.
6. Next, Mr. Ardoin stated that an election to select a Chairman and Vice Chairman for the PE Board would be held. Mr. Ardoin opened the floor for nominations. Mr. Oliveaux nominated Mr. Ardoin for Chairman and Mr. Lane seconded the nomination. As there were no more nominations, Mr. Ardoin was declared Chairman. Mr. Ardoin then opened the floor for nominations for Vice-Chairman. Mr. Oliveaux nominated Mr. Travis for Vice-Chairman and Mr. Eric Lane seconded that nomination. As there were no more nominations, Mr. Travis was declared Vice-Chairman.
7. Mr. Ardoin turned the meeting over to Director Moore.
8. Director Moore began by announcing that Scot Floyd was appointed Assistant Deputy Director. In addition to his new position, Mr. Floyd will continue his role as Industries Manager until a replacement is hired.
9. Next, Director Moore reported that he and Administrative Program Director Kacie Henderson (former American Correctional Association (ACA) Manager) appeared before the ACA Reaccreditation Panel during the January ACA Winter Conference in San Diego, California. He reported that the hearing went well and PE was awarded accreditation for the next three years.
10. Continuing, Director Moore reported that PE recently hosted a luncheon for the newly elected sheriffs. The PE sales team, quality assurance coordinators, and executive staff

answered questions and provided information on the quality products and services PE offers. Additionally, PE presented the sheriffs with an embroidered bag of promotional items, literature, and various samples.

11. Next, Director Moore stated that preparations to relocate the Garment Plant at Elayn Hunt Correctional Center (EHCC) to C. Paul Phelps Correctional Center (PCC) are underway. Discussions regarding the availability of inmate workers and a PE supervisor for the PCC Garment Plant ensued.
12. Continuing, Director Moore added that it is likely the Louisiana Correctional Institute for Women (LCIW) Garment Plant would be relocated, as consideration for transferring the female population from EHCC to Jetson Correctional Center (JCC) is ongoing.
13. Mr. Travis asked if PCC is a state facility.
14. Director Moore explained that PCC houses state inmates and it has a transitional work program.
15. Next, Director Moore stated that the 2020 Legislative Session begins on March 9th. PE received a request for information from the Legislative Budget Analyst. PE submitted the requested data timely.
16. Then, Director Moore noted that PE's janitorial crew is currently struggling to obtain inmate workers and realizes the challenge will be much greater during the Legislative Session.
17. Lastly, Director Moore informed the board of a newspaper article reporting that several members of the Ernest Morial Convention Center (EMCC) board would like to pass a living wage requirement for Convention Center contractors. The article referred to purchases EMCC made from PE and PE's use of inmate of labor.
18. Then, Director Moore asked Mrs. Stagg for her updates.
19. Mrs. Stagg reported on PE's vehicle and equipment needs.
20. Director Moore asked Mrs. Henderson for an Administrative update.
21. Mrs. Henderson stated that the pine tree bid for PCC opened and no bids were received. Interested vendors reported they were unable to obtain trees in time for the bid. PE plans to reissue the bid in May or June 2020, which will allow adequate time for vendors to secure trees for planting in January 2021.
22. Additionally, Mrs. Henderson reported that the financing for a metal shear was approved and the metal shear bid opens February 20th. In addition, a few contracts that renewals were rejected due to tariffs are waiting to be awarded.
23. Lastly, Mrs. Henderson reported that year to date (YTD) job orders for the month of January 2020 were \$5.1 million compared to \$5.1 million for the month of January 2019. The YTD job orders for February 2020 (to date) are \$5.6 million and the YTD job orders for all of February 2019 were \$5.5 million.
24. Director Moore then asked Mrs. Farrar for her updates.
25. Mrs. Farrar stated that PE's Annual Certification of Property Inventory was submitted and awaiting the approval notice.
26. Continuing, Mrs. Farrar reported that PE's three (3) year desk audit with the Louisiana Property Assistance Agency (LPAA) is scheduled for March 19th. A desk audit at PE Headquarters will be conducted on the first day and the second day will be at two or three PE operations at EHCC.
27. Lastly, Mrs. Farrar announced that on February 24th she plans to attend a required Risk Management training course.
28. Director Moore, then asked Mrs. Sigrest to provide the financial update.

29. Mrs. Sigrest began by stating that the September and October financial statements were finalized and a copy is included in the board folders.
30. Next, Mrs. Sigrest reported that November 2019 finalized YTD sales were \$10.6 million compared to November 2018 YTD sales of \$10.8 million, a decrease of \$206,000 and YTD net income for November 2019 was a loss of \$671,000 compared to a loss of \$862,000 November 2018, an increase of \$191,000.
31. Continuing, Mrs. Sigrest stated that preliminary monthly sales for December 2019 are up by \$106,000 and preliminary YTD sales are down by \$99,000 compared to December 2018. January 2020 preliminary monthly sales are down by \$505,000 and preliminary YTD sales are down by \$605,000 compared to January 2019. However, an increase in January sales is expected.
32. Lastly, Mrs. Sigrest reported that the migration to the new IBM computer is scheduled for February 22nd. The computer was purchased to use with the J.D. Edwards accounting software when the desktop computers are upgraded to the windows 10 operating system.
33. Director Moore asked Mrs. Melius for the sales and marketing update.
34. Mrs. Melius began by reporting that PE received four (4) significant Department of Corrections (DOC) orders. An order from Louisiana State Penitentiary (LSP) for inmate clothing, linens, janitorial supplies, mattresses, officer uniforms, and print totaling \$837,730. An order from Dixon Correctional Institute (DCI) for officer uniforms totaling \$105,712, an order from David Wade Correctional Center (DWCC) for linens, janitorial supplies, and officer uniforms totaling \$47,580 and an order from EHCC for inmate clothing, linens, print, and officer uniforms totaling \$47,738.
35. Next, Mrs. Melius reported that PE received three (3) other significant job orders. An order from Calcasieu Parish Sheriff Office for linens, janitorial supplies, inmate clothing, office furniture and chairs totaling \$31,540, an order from Jefferson Parish Correctional for mattresses totaling \$21,000 and an order from Eastern Louisiana Mental Health Hospital for clothing totaling \$17,513.
36. Continuing, Mrs. Melius reported that PE provided one (1) significant quote to Pinecrest Support Services for furniture and metal outdoor items totaling \$37,050.
37. Lastly, Mrs. Melius stated that the sales staff attended the Police Jury Association of Louisiana (PJAL) Conference in Shreveport on February 12th and 13th and will attend the Louisiana Association of Chiefs of Police (LACP) Mid-Year Conference in Lake Charles March 4th and 5th and the Louisiana Fire Chief's Association Conference in Houma March 5th and 6th.
38. Mr. Oliveaux reported that PE's booth at the PJAL Conference was nice. He suggested that PE should consider adding a visual display of the products PE manufactures to the exhibit. Additionally, he recommended providing the sales staff with an incentive such as a door prize to assist in attracting attendees to the booth.
39. Director Moore and Mr. Travis discussed the guidelines for offering incentives.
40. Discussions ensued on various types of promotional items available at conferences.
41. Next, Mr. Oliveaux inquired on the status of PE offering the use of a state vehicle as an incentive for the sales positions.
42. Director Moore explained that PE does not meet the requirements of home storage of a state vehicle.
43. Mr. Oliveaux stated that it is important to look for ways to make things happen. He believes in having a mobile sales team and in purchasing new tractors and good equipment.
44. Next, Mr. Oliveaux asked Mr. Hoover for the cost of the DCI fence.

45. Mr. Hoover explained that the DCI purchased the fence.
46. Then, Director Moore asked Mr. Floyd for an industries update.
47. Mr. Floyd reported that the ordering period for the Spring Canteen Package Program (CPP) was extended by four (4) days (January 13th - February 16th). The additional four (4) days resulted in an increase of two hundred fifty (250) packages. All orders are scheduled to be picked and shipped by March 24th.
48. Next, Mr. Floyd stated that the Mattress Factory, Metal Fabrication (Metal Fab) Shop, and the T-Shirt Factory are working overtime.
49. Metal Fab is busy working on the EMCC fence order. All of the fence posts have been delivered and a delivery of approximately fifty (50) fence panels every other Friday is planned. The next load of panels is scheduled for delivery on February 21st.
50. The Apprenticeship Program has nine (9) apprentices and three (3) journeymen. As of February 12th, the journeymen began earning the introductory tutor pay.
51. Continuing, Mr. Floyd, reported that preparations to relocate the EHCC Garment Plant to PCC are underway. PE's Quality Assurance Coordinator, Tim Seilhan met with EHCC, DCI, and DOC's Facility Planning and Maintenance personnel to devise a plan of action for the work that needs to be done at PCC.
52. Mr. Oliveaux asked whether quotes were obtained for the maintenance work at PCC.
53. Mr. Floyd explained that DOC Maintenance personnel would be utilized for the project.
54. Director Moore then asked Mr. Hoover to provide an agriculture update.
55. Mr. Hoover stated that calving was two thirds complete, the cattle were in good condition and the grass was plentiful. However, the river continues to rise causing seepage in some areas.
56. Next, Mr. Hoover reported that one hundred seventeen (117) steers from DWCC sold for \$120,044.
57. Lastly, Mr. Hoover reported that the corn fields are ready and planting will begin as weather permits. He noted that Warden McCain requested that PE consider planting trees or putting cattle on land at Raymond Laborde Correctional Center (RLCC).
58. Mr. Oliveaux inquired on the status of putting a PE industry at B.B. "Sixty" Rayburn Correctional Center (RCC).
59. Director Moore stated that the closure of LAPCORR Industries might afford PE the opportunity to purchase equipment, raw materials, and inventory at a reduced price. There are several LAPCORR industries that PE may consider implementing. Mr. Floyd has reached out to LAPCORR and awaiting a response.
60. Mr. Lane suggested that a PE representative attend the EMCC Board Meeting to clarify the misconceptions some board members have regarding PE.
61. Director Moore explained that PE submitted a response to the newspaper and contacted an EMCC board member.
62. Mr. Ardoin set the next meeting for 10:00 AM, Tuesday, March 17, 2020 and adjourned the meeting at 11:00 AM.